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ARIZONA CORPORATION COMMISSION RECEIVED

WILLIAM A. MUNDELL
CHAIRMAN

JIM IRVIN
COMMISSIONER

MARC SPITZER
COMMISSIONER

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AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF:

DOCKET NO. S-03438A-00-0000

THE CHAMBER GROUP, INC.,
An Arizona Corporation, a/k/a
CHAMBER FINANCIAL GROUP and
CHAMBER FINANCIAL
1060 Sandretto Drive, Suite A
Prescott, Arizona 86305; and
1550 South Alma School, Suite #103
Mesa, Arizona 85210,

Arizona Corporation Commission
DOCKETED

APR 06 2001

JOSEPH L. HILAND
135 South Summit
Prescott, Arizona 86304

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TYSON J. HILAND
3094 Shoshone Place
Prescott, Arizona 86301

TRAVIS D. HILAND
4801 North Meixner Road
Prescott Valley, Arizona 86314,

Respondents.

PROCEDURAL ORDER

BY THE COMMISSION:

On March 9, 2001, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Motion to Allow for Telephonic Testimony ("Motion") of two prospective Division witnesses in the above-captioned proceeding.

On March 20, 2001, the Respondents in the above-captioned proceeding filed their response which opposes the Division's Motion. Respondents argue that it is fundamentally unfair and would deny due process of law to the Respondents in this proceeding to allow telephonic testimony because they would be deprived of the opportunity to effectively cross-examine these witnesses. Respondents point out that they stand a risk of substantial damage to their careers and exposure to financial loss should the Division prevail on the allegations made against them. Respondents argue further that they should have the ability to confront witnesses against them directly and in person if they are

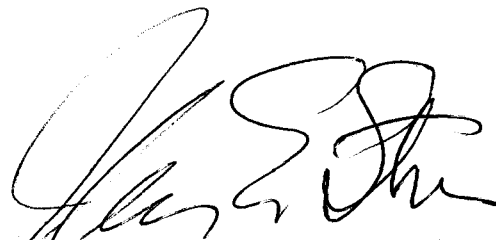
1 testing the credibility of that witness.

2 On March 26, 2001, the Division filed a reply. The Division argues that telephonic testimony
3 has previously been utilized by the Commission. Neither party is deprived of their right to examine
4 the witnesses and neither party is provided with a tactical advantage. In support of its arguments, the
5 Division pointed out that many of the prior technical problems that had been encountered in the past
6 with telephonic testimony are now easily resolvable with the use of e-mail and the use of the fax
7 machine. Lastly, the Division emphasized that the use of telephonic witness testimony in
8 administrative proceedings is a common practice and that Respondents are not denied due process of
9 law since they have the right to cross-examine the witness. At the same time, the use of telephonic
10 witnesses enables the parties to utilize evidence from witnesses who may otherwise be unable to
11 participate in the proceeding. Conversely, Respondents have the same right to call telephonic
12 witnesses as the Division if they wish to do so for the same reasons.

13 Under the circumstances, the Division's Motion is well taken and should be granted.

14 IT IS THEREFORE ORDERED that the Motion to Allow Telephonic Testimony be, and is
15 hereby granted.

16 DATED this 6TH day of April, 2001.



MARC E. STERN
ADMINISTRATIVE LAW JUDGE

21 Copies of the foregoing mailed/delivered
22 this 4th day of January, 2001 to:

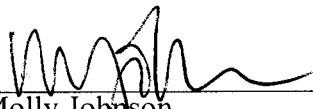
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11 Molly Johnson
12 Secretary to Marc E. Stern
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